

Jharkhand State Electricity Regulatory Commission



Order on
True-up for FY 2021-22
for
Inland Power Limited (IPL)
February 26, 2024



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List of Abbreviations

Abbreviation	Description
A&G	Administrative and General
ARR	Aggregate Revenue Requirement
CEA	Central Electricity Authority
COD	Commercial Operation Date
CFBC	Circulating Fluidized Bed Combustion
CCL	Central Coalfield Limited
CIL	Coal India Limited
ECR	Energy Charge Rate
FY	Financial Year
GCV	Gross Calorific Value
GFA	Gross Fixed Assets
GHR	Gross Station Heat Rate
GoI	Government of India
GoJ	Government of Jharkhand
IoWC	Interest on Working Capital
IPL	Inland Power Limited
JBVNL	Jharkhand Bijli Vitran Nigam Limited
JSEB	Jharkhand State Electricity Board
JSERC	Jharkhand State Electricity Regulatory Commission
JUVNL	Jharkhand Urja Vikas Nigam Limited
kCal	Kilocalorie
kg	Kilogram
kWh	Kilowatt-hour
MAT	Minimum Alternative Tax
ML	Millilitre
MOU	Memorandum of Understanding
MT	Million Tonnes
MU	Million Units
MW	Megawatt
MYT	Multi-Year Tariff
NAPAF	Normative Annual Plant Availability Factor
O&M	Operations and Maintenance
PAF	Plant Availability Factor
PLF	Plant Load Factor
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
RoE	Return on Equity
Rs.	Rupees
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SLDC	State Load Dispatch Centre
SLM	Straight Line Method



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Before
Jharkhand State Electricity Regulatory Commission, Ranchi

Case (Tariff) No.: 12 of 2022 & 03 of 2023

In the matter of:

Petition for
Annual Performance Review of FY 2021-22 & True-up for FY 2021-22

In the matter:

Inland Power Limited (IPL).....**Petitioner**

PRESENT

Hon'ble Justice Amitav Kumar Gupta

Chairperson

Shri Mahendra Prasad

Member (Legal)

Shri Atul Kumar

Member (Technical)

Order dated February 26, 2024

Inland Power Limited (hereinafter referred to as 'IPL' or the 'Petitioner') filed Petitions dated September 09, 2022 for Annual Performance Review of FY 2021-22, and March 27, 2023 for True-up of FY 2021-22 for its business of generation of electricity in the State of Jharkhand.

Since, the petitions for True-up and Annual Performance Review for the same financial year are under active consideration, the Commission in this Order does not find any merit in carrying out Annual Performance Review of FY 2021-22 as considerable time has lapsed. Thus, the Commission approves the petition for True-up of FY 2021-22 based on the audited accounts.



Chapter 1: Introduction

Jharkhand State Electricity Regulatory Commission

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as “JSERC” or “the Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commission Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2 The Government of Jharkhand vide its notification dated August 22, 2002 had defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commission Act, 1998 to be the following, namely: -
- a) to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case maybe, in the manner provided in Section 29;
 - b) to determine the tariff payable for the use of the transmission facilities in the manner provided in Section 29;
 - c) to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the State;
 - d) to promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.
- 1.3 After the Electricity Act, 2003 came into force, the earlier Electricity Regulatory Commission Act of 1998 stands repealed and the JSERC is discharging its functions as prescribed in Section 86 of the Act.
- 1.4 In accordance with provisions of the said Act, the JSERC discharges the following functions: -
- a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:
Provided that, where open access has been permitted to a category of consumers under Section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;
 - b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements

- for purchase of power for distribution and supply within the State;
- c) facilitate intra-state transmission and wheeling of electricity;
 - d) issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
 - e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
 - f) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
 - g) levy fee for the purposes of this Act;
 - h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;
 - i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
 - j) fix the trading margin in the intra-state trading of electricity, if considered, necessary;
 - k) discharge such other functions as may be assigned to it under this Act.
- 1.5 The Commission advises the State Government on all or any of the following matters, namely: -
- a) promotion of competition, efficiency and economy in activities of the electricity industry;
 - b) promotion of investment in electricity industry;
 - c) reorganisation and restructuring of electricity industry in the State;
 - d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.
- 1.6 The State Commission ensures transparency while exercising its powers and discharging its functions.
- 1.7 In discharge of its functions, the State Commission is guided by the National Tariff Policy framed and published by Government of India under the provisions of Section 3 of the Act. The objectives of the present National Tariff Policy are to: -



- a) ensure availability of electricity to consumers at reasonable and competitive rates;
- b) ensure financial viability of the sector and attract investments;
- c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
- d) promote competition, efficiency in operations and improvement in quality of supply.

The Petitioner – Inland Power Limited (IPL)

- 1.8 Inland Power Limited is a company incorporated under the provisions of the Indian Companies Act, 1956. IPL was originally incorporated on June 22, 1993 as a Private Limited Company and was subsequently converted to a Public Limited Company on April 3, 2008.
- 1.9 The Petitioner had signed a Memorandum of Understanding (MoU) with Government of Jharkhand to develop a 126 MW (2x63 MW) thermal power plant based on CFBC technology in two stages in Gola, District Ramgarh, Jharkhand on October, 2011. The Petitioner commissioned its 1st Unit (1x63MW) on May 21, 2014.
- 1.10 As per the provisions of the MoU, the Government of Jharkhand (GoJ) or Distribution Licensees authorized by it, will have the first right of claim on a purchase up to 25% of the power delivered to the system by the proposed power plant. Further, the MoU stipulates that out of the 25% under the first right of refusal to the State, the rate of 12% share will be on variable cost. Pursuant to the MoU signed between GoJ and IPL, IPL signed a Power Purchase Agreement (PPA) with Jharkhand State Electricity Board (now Jharkhand Bijli Vitran Nigam Limited or JBVNL) on February 23, 2012 for supplying 35 MW of 63 MW from 1st Unit of the project on long term basis. Subsequently, IPL signed a supplementary PPA with JSEB (now JBVNL) on April 22, 2013 for purchase and sale of the entire quantity of 63 MW power from the 1st Unit of 63 MW inclusive of quantity mentioned in earlier Principal PPA.

The Petitioner's Prayers

- 1.11 The Petitioner in these Petitions have made the following prayers: -
 - a) Accept the petition for True-up of FY 2021-22
 - b) Approve the numbers for the True-up of FY 2021-22 as discussed in this



Petition

- c) This Hon`ble Commission vide its order dated 28-02-2023 and order dated 04-11-2022 has also approved 100% recovery of fixed charges for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20. The petitioner humbly requests the Hon`ble JSERC to also consider full 100% basis for the fixed cost recovery in the computations of True Up for FY 2021-22.
- d) Condone any inadvertent omissions/ errors/ rounding off differences/ shortcomings and permit IPL to add/ change/ modify this filing and make further submission as may be at a future date; and
- e) Pass further and such other orders, as the Hon`ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.



Chapter 2: Procedural History

Background

- 2.1 The Commission had approved the provisional tariff for FY 2014-15 to FY 2015-16 in its MYT Order for FY 2014-15 to FY 2015-16 dated May 27, 2014 based on submission of the anticipated date of Commercial Operation Date (COD) of the plant as May 2014.
- 2.2 Subsequently, the Commission on May 16, 2017 issued a Tariff Order on approval of Capital cost of Unit-1 (1x63MW), True-up of the ARR for the year FY 2014-15, Annual Performance Review for the year FY 2015-16 and Multi Year Tariff for the 2nd Control period from FY 2016-17 to FY 2020-21.
- 2.3 The Commission had issued the True-up Order for FY 2015-16 for Unit-1 (1x63MW) on March 19, 2018 based on audited accounts submitted by the Petitioner.
- 2.4 The Petitioner had filed the review Petition on True-up Order for FY 2015-16 which was disposed off by the Commission on May 13, 2019.
- 2.5 Later, on October 01, 2019, the Commission had issued the True-up Order for FY 2016-17 and FY 2017-18 based on the audited accounts of the respective financial year and methodology adopted in earlier Orders.
- 2.6 Subsequently, the Commission also approved the Annual Performance Review for FY 2018-19 vide its Order dated December 26, 2019.
- 2.7 The Commission had issued the True-up Order for FY 2018-19 on September 22, 2020 based on audited accounts submitted by the Petitioner.
- 2.8 Later on November 04, 2022, the Commission had issued the Order on True-up for FY 2019-20 & APR for FY 2020-21 based on audited accounts submitted by the Petitioner.
- 2.9 Subsequently, the Commission vide Order dated May 22, 2023 issued the Order for True-up of FY 2020-21.
- 2.10 The Petitioner in the current Petition, has sought for True-up for FY 2021-22.

Disclaimer: Relevant information provided herein regarding the Commission, the Petitioner, and the Procedural History have been extracted/reproduced from the previous Orders of the Commission. This is for information purpose only and does not, in any matter, reflect opinion or analysis thereon.



Information Gaps in the Petition

- 2.11 As part of tariff determination exercise, several deficiencies/information gaps were observed in the Petitions submitted by the Petitioner. The information gaps were pointed out and communicated to the Petitioner vide letter no. JSERC/Case (Tariff) No. 03 of 2023/39 dated April 20, 2023, and letter no. JSERC/Case (Tariff) No. 03 of 2023/262 dated August 03, 2023.
- 2.12 The Petitioner has submitted its response to the aforesaid letter and furnished additional data/information vide letters dated May 15, 2023, and September 19, 2023.
- 2.13 The Commission has scrutinized the additional data/information submitted by the Petitioner, in response to the discrepancies pointed out and has considered the same while passing this Order.
- 2.14 In order to provide adequate opportunity to all stakeholders and general public as mandated under Section 64 (3) of the Electricity Act 2003 and in relevant provisions of Regulation(s) framed by the Commission and further, in order to ensure transparency in the process of tariff determination, the Commission decided to conduct public hearings on January 30, 2024 in the Meeting Hall of Raso Hotel at Ranchi for inviting comments/suggestion/objection.

Inviting Public Comments/ Suggestions

- 2.15 The Commission has directed the Petitioner to make available copies of the Petition to the members of general public on request, and also issued a public notice inviting comments/ suggestions on the above said Petition.
- 2.16 The aforesaid public notice was issued by the Petitioner in various newspapers and a period of twenty-one (21) days was given to the members of the general public for submitting their comments/suggestions.

TABLE 1: LIST OF NEWSPAPERS AND DATES OF PUBLICATION OF PUBLIC NOTICE BY THE PETITIONER

Sl. No.	Newspaper	Version	Date of Publication
1.	Sanmarg	Hindi	19.08.2023 & 20.08.2023
2.	Ranchi Express	Hindi	19.08.2023 & 20.08.2023
3.	Hindustan Times	English	19.08.2023 & 20.08.2023
4.	Morning India	English	19.08.2023 & 20.08.2023



2.17 Subsequently, the Commission also issued a notice on its website *www.jserc.org* and in various newspapers for conducting a public hearing on the Petition filed by the Petitioner. The newspapers wherein the notice for public hearing was issued by the Commission are detailed hereunder:

**TABLE 2: LIST OF NEWSPAPERS AND DATES OF PUBLICATION OF PUBLIC NOTICE
BY THE COMMISSION**

Sl. No.	Newspaper	Version	Date of Publication
1.	Prabhat Khabar	Hindi	21.01.2024 & 29.01.2024
2.	Hindustan Dainik	Hindi	21.01.2024
3.	Dainik Jagran	Hindi	29.01.2024
4.	Times of India	English	21.01.2024 & 29.01.2024
5.	The Hindustan Times	English	21.01.2024 & 29.01.2024

Submission of Comments/ Suggestions and Conduct of Public Hearing

2.18 The public hearing was held on January 30, 2024 in the Meeting Hall of the Raso Hotel at Ranchi.

2.19 Comments/Suggestions on the Petition were received. The Comments/Suggestions of the Public, Petitioner's responses and Commission's views thereon are detailed in **Chapter 4** of this Order.



Chapter 3: Brief Facts of the Petition

True-up for FY 2021-22

a) Operational Parameters of Plant

3.1 The summary of operational parameters by the Commission in its MYT order dated November 11, 2023 vis-à-vis actuals as submitted by the Petitioner is provided in the table below:

TABLE 3: OPERATIONAL PARAMETERS AS SUBMITTED BY THE PETITIONER

Particulars	Unit	MYT	Petition
Gross Station Heat Rate	kcal/kWh	2902	2,933.19
Annual Plant Availability Factor	%	82.50%	84.41
Auxiliary Energy Consumption	%	10.50%	11.76
Secondary fuel oil consumption	ml/kWh	1.00	1.00

b) Annual Revenue Requirement (ARR)

3.2 The Annual Revenue Requirement as approved by the Commission in its MYT order dated November 11, 2023 vis-à-vis actuals as submitted by the Petitioner is provided in the table below:

TABLE 4: ANNUAL REVENUE REQUIREMENT AS SUBMITTED BY THE PETITIONER

(RS. CR.)

Particulars	MYT	Petition
Depreciation	17.49	17.34
Interest on Loan	13.25	6.85
Return on Equity	16.63	14.02
Interest on Working Capital	4.82	4.52
O&M Expenses	25.05	23.78
Water Charge	1.64	1.48
Annual Fixed Cost	78.87	67.99
Annual Fixed Cost after PAF Adjustment	78.87	69.56
ARR Publication & fee Expenses	-	0.15
Tax Paid	-	6.43
Total Fixed Cost	78.87	76.14
Energy Cost	109.44	104.58
Energy Charge Rate (Rs./kWh)	2.69	2.72
Annual Revenue Requirement	188.32	180.72



Chapter 4: Public Consultation Process

- 4.1 The Petition filed by the Petitioner evoked responses from several Stakeholders. The Public Hearing at the Meeting hall of Raso Hotel was held on January 30, 2024 to ensure maximum Public participation and transparency wherein Stakeholders put forth their comments and suggestions before the Commission in the presence of the Petitioner. The list of the attendees is attached as **Annexure-I** to this Order.
- 4.2 The Comments/Suggestion of the Public along with the response thereon of the Petitioner and the views of the Commission are detailed hereunder:

Normative Plant Availability Factor

Public Comments/Suggestions

- 4.3 IPL is requesting a relaxation in NAPAF from the Hon'ble Commission citing orders from CERC. It has requested the Hon'ble Commission to approve NAPAF at 82.50%. IPL stated that the Commission may allow recovery of Plant Availability Factor as per its MYT Order for FY2021-22 at 82.50% subject to outcome of the pending case before the Hon'ble APTEL. The non-recovery of fixed charges is adversely impacting the financial operations for IPL. Citing APTEL in its judgement on "Appeal No. 182 of 2010" has clarified that the relaxation in PLF for CFBC will be applicable to both coal based and lignite based Stations as the relaxation is for the technology being used, not the fuel.
- 4.4 As per JSERC generation tariff regulations 2020 the normative PAF approved for FY21-22 is 85%. IPL is asking for relaxation of PAF citing CERC tariff regulations 2019-24 for CFBC boiler. On the other issues regarding CERC's tariff regulations on lignite based CFBC technology, it is pertinent to mention that IPL does not fall under the lignite based CFBC technology-based power plant as described in its petition and hence, the provisions stated in its arguments does not arise in this case. IPL's fuel mix and technology are quite different and the established NAPAF is based on the DPR submitted by the petitioner and actual working conditions. Hence, the prayer of IPL should be outrightly rejected for a relaxation of NAF. The request of IPL regarding PAF should be outrightly rejected by the Hon'ble Commission.

Petitioner's Response

- 4.5 IPL humbly reiterates the detailed justification below:

Normative Annual Plant Availability Factor:

- As per the JSERC Generation Tariff Regulations 2020, the Normative PAF approved by the Commission is 85% for the 2021-22 to 2025-26 control period.
- The relaxation of PLF for CFBC boilers was also provided in CERC Tariff Regulations 2009-14. Relevant portion of the regulation is reproduced below:

“26.(i). Normative Annual Plant Availability Factor (NAPAF)....

(f) Lignite-fired Generating Stations using Circulatory Fluidized Bed Combustion (CFBC) Technology -

- 1. First three years from COD - 75%*
- 2. From next year after completion of 3 years of COD - 80%”*

- The reasons for this relaxation are further elaborated in the Statement of Objects and Reasons for CERC Tariff Regulations (2009-14).

“28.6..... With regard to lignite fired stations using CFBC technology are concerned, we found that the availability in initial years was of the order of 76% in case of surat lignite fired station and gradually picked up thereafter. In view of this we are providing for a norm of 75% during first three years of COD and thereafter, retaining a norm of 80%. In respect of the new lignite power stations with PF Boilers, availability norms have been combined with the coal power fire stations at 85%”

- It is further submitted that other State ERCs also, provided relaxation in PLF for CFBC boilers. For instance, in Rajasthan, as per RERC Tariff Regulations, 2009 PLF for CFBC Plants is gradually increased to 80% during a period of five years -

“46.1. Target Availability for recovery of full Capacity (Fixed) charges for thermal power stations ... (a)

(iii) Lignite fired thermal power stations using CFBC technology:

- For the first year of operation 70%*
- For second year of operation 72.5%*
- For third year of operation 75.0%*
- For fourth year of operation 77.5%*
- Fifth year and onwards 80.0%”*

It is pertinent to note that APTEL in its judgement on “Appeal No. 182 of 2010” has clarified that the relaxation in PLF for CFBC will be applicable to both coal



based and lignite based Stations as the relaxation is for the technology being used, not the fuel.”

- The Petitioner would like to further submit that the relaxation of PLF for CFBC boilers is provided in CERC Tariff Regulations 2019-24. The extract of the same is reproduced below:

“49. Norms of operation for thermal generating station

.....

Normative Annual Plant Availability Factor (NAPAF)

.....

(e) For Lignite fired Generating Stations using Circulatory Fluidized Bed Combustion (CFBC) Technology and Generating stations based on coal rejects:

First Three years from the date of commercial operation - 75%

For next year after completion of three years of the date of commercial operation - 80%

.....”

- This Hon’ble Commission also had set a NAPAF target of 82.5% for FY 2016-17 to FY 2020-21 as per its order in Case No. 06 and 11 of 2016 dated 16th May 2017. Relevant portion of the order is reproduced below:

“.....

8.53. After considering the above, the Commission finds the submission of the Petitioner appropriate and has considered the same for approving the NAPAF for the current MYT period.”

- 4.6 IPL humbly submits request this Hon’ble Commission to allow PLF of 82.50% in line with the Commission’s approved figures as per its order in Case No. 06 and 11 of 2016 dated 16th May.

Interest and Finance Charges

Public Comments/Suggestions

- 4.7 IPL claimed a finance and bank charges at INR 0.31 Cr.
- 4.8 JBVNL would like to know about the charges of INR 0.31 Cr as bank charges and the nature of such charges and why it should be passed on to the consumers.

Petitioner’s Response

- 4.9 IPL humbly submits before this Hon’ble Commission that the cost incurred i.e. 0.31 Cr is towards Loan Processing Charges, Bank Charges etc. IPL will submit



the requisite Bank Statement based on further directives by the Hon'ble Commission.

Interest on Working capital

Public Comments/Suggestions

- 4.10 IPL claimed cost of coal for 50 days for calculation of Interest on Working Capital.
- 4.11 However, only 30 days cost of coal is applicable for calculation of working capital at NAPAF. This may be checked in details.
- 4.12 Cost of secondary fuel oil for 2 months have also exceeded from the approved figures of the Hon'ble Commission.

Petitioner Response

- 4.13 IPL humbly submits before this Hon'ble Commission that it has claimed Interest on Working Capital as per applicable Regulatory Provisions issued by the Hon'ble Commission.
- 4.14 Further, since cost of fuel is not under the control of IPL hence IPL humbly requests this Hon'ble Commission to allow Interest on Working Capital as claimed in the Tariff Petition.
- 4.15 IPL humbly requests this Hon'ble Commission to kindly allow Interest in Working Capital as claimed by IPL for FY 2021-22.

O&M Expenses

Public Comments/Suggestions

- 4.16 IPL claimed to have changes the blending ratios and quantity of coal and dolochar in its plant.
- 4.17 Due to change in blending, the GCV of coal and dolochar have been decreased from approved values. This has resulted in high cost of the fuel. The high cost should not be passed on the consumers by the Hon'ble Commission due to inefficiency of the IPL.

Petitioner's Response

- 4.18 IPL humbly submits that the Blending ratio of its Primary Fuel Mix changed from approved of 35:65:0 to 46.44:53.56: 0 in FY 2021-22 for Coal - Rejects - Dolochar with the weighted average GCV of fuel increased from 2488.50 to actual of 2632.23 Kcal/Kg in FY 2021-22.
- 4.19 IPL humbly submits that it acquired its primary ROM for Coal from CIL e-



auctions and Shakti Scheme. The coal prices and the GCV of coal provided in the e-auctions and Shakti scheme are as per CIL notifications. Thus, IPL has no control over the coal offered in the e-auctions and Shakti Scheme.

- 4.20 IPL humbly submits that it has made earnest efforts to ensure optimum coal supply at the most optimal costs. Apart from its contracted capacities, IPL has also tried to source coal from Special Forward and Spot E-Auctions.
- 4.21 CCL also conducted various spot e-auctions in FY2021-22 but the price of coal was very high compared to the special forward auctions. IPL further submits the auction conditions mandate 10% EMD and 100% advance payment of the coal procured in the e-auctions of CCL against “cash and carry” mode! offered by other coal sources. As IPL has been facing delayed payments by JBVNL, it has to arrange fund on its own sources which makes the advance payment criteria difficult to fulfil.
- 4.22 IPL humbly requests this Hon’ble Commission to allow fuel mix as incurred by IPL and claimed in this Petition.

Auxiliary Consumption

Public Comments/Suggestions

- 4.23 IPL claimed its auxiliary consumption at 11.76%, however, it requested to pass auxiliary consumption at 11.15%. IPL stated that the actual Auxiliary Consumption was higher than the approved values due to higher consumption because of higher pressure drops and consequently higher fan power. IPL argued that as per the prevailing CERC Regulations, for lignite fired stations using CFBC technology, the auxiliary energy consumption norms was 1.5% more than the auxiliary energy consumption norms of coal-based generating stations. As per the 'Recommendations on Operation Norms for Thermal Power Stations for Tariff Period beginning 1st April 2009', of CEA higher auxiliary consumption the generating station of IPL should also be allowed regarding the CFBC technology. The disallowance of normative auxiliary consumption of 10.50% is adversely impacting the financial operations for IPL.
- 4.24 The Commission had considered auxiliary consumption as 10.00% in its JSERC (Term and conditions for determination of tariff regulations 2020). It may be observed that - the actual auxiliary consumption claimed by IPL is 11.76%, however it prayed for consideration of 11.15% from the Commission which itself is much higher than the approved figures resulting in higher energy charge rate. Since Auxiliary consumption is a controllable and a



performance parameter as per JSERC Tariff Regulations 2020, no change in approved figures should be considered. Also, it is expected that with time, operations will improve as new technology kicks in and working procedures and operations needs to be improved and the power plant would like to work towards reducing the auxiliary consumption. However, in IPL's case, it is ironical that its auxiliary consumption has been increased. It completely shows its failure in increasing efficiency in operations. Hence, the demand of the petitioner is not valid and should not be considered at all. In the amended Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023, clause no 3.1. (6) shall be substituted as follows: 6. 'Auxiliary Energy Consumption' or 'Aux' in relation to a period in case of a generating station means the quantum of energy consumed by auxiliary equipment of the generating station, such as the equipment being used for the purpose of operating plant and machinery including switchyard of the generating station and transformer losses within the generating station, expressed as a percentage of the sum of gross energy generated at the generator terminals of all the Units of the generating station: Provided that auxiliary energy consumption shall not include energy consumed for supply of power to housing colony and other facilities at the generating station and the power consumed for construction works at the generating station and integrated coal mine: Provided further that auxiliary energy consumption for compliance of revised emission standards, sewage treatment plant and external coal handling plant (jetty and associated infrastructure) shall be considered separately: The above said provisions need to be checked out and vetted properly through proper investigation before allowing the IPL its claimed auxiliary consumption.

Petitioner's Response

4.25 IPL humbly reiterates the detailed justification below: -

- a. IPL humbly submits that considering the historical achieved Auxiliary Consumption, IPL currently proposes Auxiliary Consumption of 11.15% based on past performance.
- b. IPL submits that during the commissioning period of the power plant, as per the prevailing CERC Regulations, for lignite fired stations using CFBC technology, the auxiliary energy consumption norms was 1.50% more than the auxiliary energy consumption norms of coal-based generating stations. Hence



the CERC norm for auxiliary consumption of lignite based CFBC plants, up to 200 MW with induced draft cooling tower was 10.50%.

- c. IPL also submits that CFBC boilers involve higher auxiliary consumption due to higher pressure drops & consequently higher fan power as compared to the pulverized fuel fired units.
- d. IPL also humbly submits that CEA has in principle recommended higher auxiliary consumption in 'Recommendations on Operation Norms for Thermal Power Stations for Tariff Period beginning 1st April, 2009. It is also to be noted that following Auxiliary Consumption has been allowed by various Commissions on CFBC technology,
- In case of Raj West Power Ltd., RERC has allowed an Auxiliary Consumption of 11.50%.
 - In case of Gujarat Industries Power Company Ltd., GERC has allowed an Auxiliary Consumption of 12.50% for 3 years and 11.50% from the 4th year.
 - In case of Bajaj Energy Pvt. Ltd., UPERC has allowed an Auxiliary Consumption of 11.50% during stabilization and 11.00% - post stabilization period.

4.26 IPL humbly request this Hon'ble Commission to allow operational parameters as claimed by IPL in this Petition.

Gross Station Heat Rate

Public Comments/Suggestions

4.27 IPL claimed its gross station heat rate at 2933kCal/kWh for the FY 21-22 as against the approved rate of 2902 kcal/kWh.

4.28 The Commission had considered GSHR at 2765 kcal/kWh as per its JSERC (Terms and conditions for determination of tariff regulations 2020), however in MYT it approved the GSHR at a higher side. Still then, the GSHR of the IPL has been increased for the FY 21-22. The petitioner has said that higher Gross Station Heat Rate is due to variance in the fuel mix affecting Gross Calorific Value and ash content. It has not stated the approved fuel mix in its petition for FY 21-22 which it has not maintained. Non maintenance of the fuel mix as approved has resulted in higher GSHR which is not desirable. Since Station heat rate is controllable and a performance parameter as per JSERC Regulations 2020, the petitioner had to maintain the SHR as approved by the Commission. However, despite the order, IPL has never maintained this SHR



and always claimed a higher portion of SHR in its petition. This inefficiency should not be passed on to the consumer and hence, should be outrightly rejected.

Petitioner's Response

4.29 Replies have not been received from IPL within the time stipulated by the Commission.

4.30 IPL humbly reiterates the detailed justification below:

- a. IPL humbly submits that based on past performance of the power plant and also considering difficult operating conditions and uncontrollable change in fuel mix, IPL currently proposes SHR of 2933 kCal/kWh.
- b. The Hon'ble Commission in its MYT Order has approved a Gross Station Heat Rate of 2902 kCal/kWh for Inland Power Limited for FY 2021-22. However, though SHR is a controllable parameter as per regulation 6.11 of the JSERC Tariff Regulations 2015, actual values of SHR as achieved by the Petitioner have been considered for FY 2021-22.
- c. The petitioner also submits that as specified in JSERC regulations 2010, the norms of operation for SHR of new generating stations for Coal-based and lignite-fired Thermal Generating Stations = $1.065 \times \text{Design Heat Rate (kCal/kWh)}$ where, the Design Heat Rate of a unit means the unit heat rate guaranteed by the supplier at conditions of 100% MCR, zero percent make up, design coal and design cooling water temperature/back pressure.
- d. The TG cycle heat rate for the proposed boiler was 2166 Kcal/kwh. With a boiler efficiency of 79.5% and with a margin of 6.5% as per regulation, the Petitioner had requested the Honourable Commission to approve a Gross Station heat rate of 2902 Kcal/kwh.
- e. The Commission vide letter no JSERC/legal/07 of 2013/222 dated August 26, 2013 directed the Petitioner to submit report/ study conducted by independent technical expert to verify the boiler efficiency of 79.5%. The Petitioner vide letter dated November 12, 2013 submitted the required information. Thus, the Commission after scrutinizing the additional information submitted approves the gross station heat rate in accordance with the formula specified in Regulation 8.6 (b) (i) of the Generation Tariff Regulations 2010, the projected base heat rate and boiler efficiency as per the independent technical evaluation report, for the Control Period at 2,902 kCal/kWh.
- f. The petitioner submits that the historical SHR of the power plant has varied



due to the change in fuel mix, use of fuel with high ash etc. which are due to uncontrollable factors.

Cost of Primary Fuel

Public Comments/Suggestions

- 4.31 The cost of primary fuel claimed by IPL is INR 2060.84 with a weighted average GCV value of primary fuel at 2632.23 kCal/Kg.
- 4.32 This matter has been raised with IPL on several occasions to fix of its primary fuel sourcing so that there should not be a wide price volatility. However, IPL is not serious about its primary fuel sourcing, be it coal or dolochar. Hence, price of primary fuel has been increased around 130.00 Rs per MU. The higher rate should not be passed on to the consumers that is purely due to inefficiency of IPL.

Petitioner's Response

- 4.33 IPL humbly submits that it acquired its primary ROM for Coal from CIL e-auctions and Shakti Scheme. The coal prices and the GCV of coal provided in the e-auctions and Shakti scheme are as per CIL notifications. Thus, IPL has no control over the coal offered in the e-auctions and Shakti Scheme.
- 4.34 Further it is submitted that IPL has always strived to assure most optimum coal supply. However, the coal prices are uncontrollable for IPL. Thus, the JBVNL's contentions in this regard is misconstrued. IPL humbly prays to the Hon'ble Commission to approve the cost of primary fuel incurred by IPL as claimed.

Cost of Secondary Fuel

Public Comments/Suggestions

- 4.35 Cost of base price of oil claimed by IPL is INR 91857.0b per KL as against the approved figure of INR 80,471.31 per KL.
- 4.36 Cost of secondary fuel oil has been increased to INR4 crore as against INR 3.66 crore. The Hon'ble commission is requested to validate the consumption of secondary oil and the cost.

Petitioner's Response

- 4.37 IPL would like to reiterate that IPL has always strived to assure most optimum fuel supply. However, the fuel prices are uncontrollable for IPL. Thus, the JBVNL's contentions in this regard is misconstrued. IPL humbly prays to the



Hon'ble Commission to approve the cost of secondary fuel incurred by IPL as claimed.

Higher Capacity Charges Claimed

Public Comments/Suggestions

4.38 IPL has claimed a higher capacity charges for achieving availability above the level of normative allowed. This is not justified and should be discarded. Higher capacity charges claimed with PAF of 84.31% which is not desirable.

Petitioner's Response

4.39 IPL humbly submits before this Hon'ble Commission that the recovery of capacity charges is to be done as per regulation A. 17 of the JSERC regulations, 2020. IPL has also considered availability for 12 months for FY 2021-22. The PAF achieved in 12 months for FY 2021-22 was 84.31%. The SLDC plant availability certificate for FY 2021-22 has also been submitted along with the Original Petition. The Petitioner has claimed the fixed cost considering the actual Plant Availability achieved during FY2021-22.

4.40 IPL humbly requests this Hon'ble Commission to allow Fixed charges as claimed by IPL.

Higher Energy Charges of IPL

Public Comments/Suggestions

4.41 IPL agreed that there is significant higher price of input fuel and change in blending ratio of its fuel mix.

4.42 Higher energy charges are due to non-maintenance of blending ratio by IPL and significant higher cost of procurement of coal from various sources. This higher cost due to inefficient procurement of fuel of IPL should not be passed on to the consumer. GCV of rejects procured is very less with significant higher cost of procurement. Thus, weighted average price of primary fuel is much higher than approved figures. Thus, the total energy charge per unit of INR 2.72 should be discarded outrightly.

Petitioner's Response

4.43 IPL humbly submits before this Hon'ble Commission that IPL has submitted the MYT Petition for the Control Period FY 2021-22 to FY 2025-26 on 25th March 2021. In that, the energy rate has already been revised due to changing coal prices. The same has also been also communicated to JSERC and JBVNL. IPL humbly submits before this Hon'ble Commission that IPL has submitted



the True-up petition for FY 2021-22 to this Hon'ble JSERC on 20.04.2023.

- 4.44 IPL also humbly confirms that it submits quarterly billing reports to Hon'ble JSERC and the same have also been provided to JBVNL for the verification. After review, JBVNL pays the amount due to IPL and there have been no additional billings. JBVNL's contentions towards discarding of the total energy charge per unit of INR 2.72 is misconstrued.
- 4.45 IPL humbly requests this Hon'ble Commission to allow Energy Charges as claimed by IPL in its petition

Annual Revenue Requirement for FY 2021-22

Public Comments/Suggestions

- 4.46 In ARR, total cost per unit is INR 4.73 per unit as against the approved rate of INR 4.65 per unit.
- 4.47 The higher cost per unit is due to higher cost in fixed cost as well as variable cost. The Hon'ble Commission is requested to disallow this cost which is due to inefficiency of IPL.

Petitioner's Response

- 4.48 IPL humbly submits before this Hon'ble Commission that JBVNL's contentions in this regard is misconstrued. IPL humbly requests this Hon'ble Commission to allow its claim for FY 2021-22

Sale of Fly ash bricks

Public Comments/Suggestions

- 4.49 IPL claimed that the cost incurred in ash handling, O&M and fly ash bricks is way higher than that of revenue generated.
- 4.50 The claim of IPL needs to be thoroughly investigated as we believe that the revenue from sale of fly ash bricks should be significantly higher. There might be some under reporting of revenue in this case. The Hon'ble Commission is requested to investigate the claims thoroughly. And also, the O&M expense should not be considered different from the actual power plant O&M as claimed by IPL. The petitioner is requested to give a detailed explanation of other expenses (INR 4.31 Cr) in case of fly ash bricks plant. Net revenue of (-2.12) crores should not be passed on to the consumer.

Petitioner's Response

- 4.51 IPL humbly submits before this Hon'ble Commission that IPL has already



submitted documents based on directions of this Hon'ble Commission. As per the directives issued by the Hon'ble Commission, JSERC vide order dated 22nd September 2020, IPL has submitted the capex plan for installation of LDO System as an alternate light up fuel to the Hon'ble Commission vide letter dated 29.12.2020. IPL humbly submit that previously the expenses for the Fly Ash bricks are not bifurcated for Power plant & Fly Ash division, now we have separated and submitting the auditor's certificate for unit wise expenses.

Commission's Opinion

4.52 The Commission has considered the submissions of the Stakeholder and the replies by the Petitioner, and deliberated and discussed it in the Chapters in the Order.

Chapter 5: True Up for FY 2021-22

- 5.1 The Petitioner has submitted the True-up Petition for FY 2021-22 based on the audited accounts, taking into consideration the provisions of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020, and the methodology adopted by the Commission in the previous Orders.
- 5.2 The Commission has carried out True-up for FY 2021-22 taking into consideration: -
- Audited (Statutory) Accounts for FY 2021-22 and additional details submitted by the Petitioner;
 - JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020; read with its amendments thereof and;
 - Methodology adopted by the Commission in the earlier order.

Operational Performance Parameters

Plant Availability Factor (PAF)

Petitioner's Submission

- 5.3 The Petitioner had submitted the actual plant availability of Unit-I as 84.41% for the financial year against the approved value of 82.50% in MYT Order dated November 11, 2023 and requested the Commission to approve the same. The Petitioner has submitted the State Load Despatch Centre certificate vide 'Annexure No. 4 – Letter No. 94/SLDC, Ranchi dated 12.07.2022' to its Petition, certifying the actual plant availability factor.

Commission's Analysis

- 5.4 Clause 6.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 stipulates that performance parameters are deemed to be controllable in nature. As such, the Commission, approves the Normative Annual Plant Availability Factor (NAPAF) as per Regulation A 16 of the JSERC (Terms & Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023. Additionally, the Commission approves the Actual Plant Availability based on the SLDC certificate provided in 'Annexure No. 4' of the Petition as shown below.

TABLE 5: PLANT AVAILABILITY AS APPROVED BY THE COMMISSION

Particulars	MYT	Petition	Approved
Normative Plant Availability Factor	82.50%	-	82.50%
Actual Plant Availability Factor	-	84.41%	84.41%

Auxiliary Consumption

Petitioner's Submission

- 5.5 The Petitioner has submitted the actual auxiliary consumption as 11.76% against the approved value of 10.50% in the Order dated November 11, 2023.
- 5.6 The Petitioner has also mentioned that the plant runs on CFBC based technology and therefore consumes more auxiliary power than other thermal power plants.

Commission's Analysis

- 5.7 Clause 6.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 stipulates that performance parameters are deemed to be controllable in nature. As such, the Commission approves the Normative Auxiliary Consumption as per Regulation A 16 of the JSERC (Terms & Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023. Additionally, the Commission approves the Actual auxiliary consumption as 11.76% based on the Auditor's Certificate provided in 'Annexure No. 5' to the Petition.
- 5.8 Further, the Normative Auxiliary Consumption has been used to calculate the energy charges for the financial year.

TABLE 6: AUXILIARY CONSUMPTION AS APPROVED BY THE COMMISSION

Particulars	MYT	Petition	Approved
Normative Auxiliary Consumption	10.50%	-	10.50%
Actual Auxiliary Consumption	-	11.76%	11.76%

Plant Load Factor and Generation

Petitioner's Submission

- 5.9 The Petitioner has submitted the actual Plant Load Factor (PLF) as 78.99% against the target of 82.50% approved by the Commission in the MYT Order dated November 11, 2023.
- 5.10 The Petitioner has further submitted the gross generation of Unit-I as 435.93 MU which is lower than the approved value of 455.30 MU in the MYT Order dated November 11, 2023.



Commission's Analysis

- 5.11 The Commission has observed that the Petitioner has wrongly calculated the Plant Load Factor (PLF) based on 'Actual' Auxiliary Consumption, while Clause No. 3.1 (47) of the JSERC (Terms & Conditions for Determination of Generation Tariff) Regulations, 2020 prescribes the Plant Load Factor to be computed based on the 'Normative' Auxiliary Consumption. Therefore, the Commission has recalculated the PLF as per the Regulations which works out to be 77.88%. Further, the Commission approves the Gross Generation as submitted by the Petitioner based on the Auditor's Certificate provided in 'Annexure No. 5' to the Petition.
- 5.12 Likewise, the Plant Load Factor and Gross Generation as approved by the Commission in the MYT Order, as submitted by the Petitioner, and as approved now by the Commission are summarized in the table below.

TABLE 7: PLANT LOAD FACTOR AND GENERATION AS APPROVED BY THE COMMISSION

Particulars	Units	MYT	Petition	Approved
Normative Plant Load Factor	%	82.50%	-	82.50%
Actual Plant Load Factor	%	-	78.99%	77.88%
Gross Generation	MU	455.30	435.93	435.93

Gross Station Heat Rate (GHR)

Petitioner's Submission

- 5.13 The Petitioner has claimed the Gross Station Heat Rate (GHR) as 2933.19 kCal/kWh against the approved value of 2902.00 kCal/kWh in the MYT Order dated November 11, 2023.

Commission's Analysis

- 5.14 Clause 6.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2023 stipulates that performance parameters are deemed to be controllable in nature. As such, the Commission, approves the Gross Station Heat Rate in accordance with Regulation A 16 of the JSERC (Terms & Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023.

TABLE 8: GROSS STATION HEAT RATE AS APPROVED BY THE COMMISSION

Particulars	Units	MYT	Petition	Approved
Gross Station Heat Rate	kcal/kWh	2902.00	2,933.19	2,902.00

Specific Fuel Oil Consumption

Petitioner Submission

5.15 The Petitioner had submitted the specific fuel oil consumption as 1.00 ml/kWh in line to JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023.

Commission's Analysis

5.16 The Commission observes that the submission made by the Petitioner is in accordance with the Commission's MYT Order dated November 11, 2023 and JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023. Hence, the Commission approves the secondary fuel oil consumption as submitted by the Petitioner.

TABLE 9: SPECIFIC FUEL OIL CONSUMPTION AS APPROVED BY THE COMMISSION

Particulars	Units	MYT	Petition	Approved
Specific Fuel Oil Consumption	ml/kWh	1.00	1.00	1.00

Fuel Cost Parameters

Coal Mix and Gross Calorific Value (GCV) of Primary Fuel

Petitioner's Submission

5.17 The Petitioner had submitted that the coal is procured from various sources as mentioned below.

- E-Auction of Coal India Ltd./ Central Coalfield Ltd.;
- Coal from Forward Auctions;
- FSA with Central Coalfield Ltd. under SHAKTI Scheme;
- Rejects from Tata Steel.

Commission's Analysis

5.18 The Commission has observed a significant deviation in the blending ratio, Gross Calorific Value (GCV) of primary fuel-mix and its price as compared to the approved values in MYT Order dated November 11, 2023.

5.19 The Commission has considered the submission made by the Petitioner, including Auditor's Certificate submitted vide 'Annexure No. 6' to the Petition. The Commission has scrutinized monthly source-wise coal consumption, duly certified by the auditor, as submitted by the Petitioner, and has recalculated the Weighted average GCV of Primary Fuel and approves the coal mix and Gross Calorific Value as shown below.

TABLE 10: COAL MIX AND GCV AS APPROVED BY THE COMMISSION

Particulars	Units	MYT Order	Petition	Approved
Coal	%	35.00%	46.44%	46.44%
Coal Rejects	%	65.00%	53.56%	53.56%
GCV of Coal	kCal/kg	3,680.24	3,559.83	3,559.83
GCV of Coal Reject	kCal/kg	1,872.24	1,827.89	1,827.89
Weighted average GCV of Primary Fuel	kCal/kg	2,505.04	2,632.23	2,632.23
Weighted average GCV of Primary Fuel less Stacking Loss	kCal/kg	2,420.04	-	2,547.23

Transit Loss

Petitioner's Submission

5.20 The Petitioner has considered the transit loss on normative basis *i.e.*, 0.80% inline to MYT Order dated November 11, 2023 and as per JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.

Commission's Analysis

5.21 The Commission has scrutinized the detail along with the auditor's certificate certifying the transit loss as submitted by the Petitioner and approves the transit loss at a normative value of 0.80% as per Clause 17.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.

TABLE 11: TRANSIT LOSS AS APPROVED BY THE COMMISSION

Particulars	Units	MYT Order	Petition	Approved
Transit Loss	%	0.80%	0.80%	0.80%

Landed Cost of Primary Fuel

Petitioner's Submission

5.22 The Petitioner has submitted the Auditor's Certificate submitted vide 'Annexure No. 6' to the Petition for landed cost of primary fuel consumed from different sources. The landed price of primary fuel includes base price of coal, royalty, taxes and duties, transport cost, Clean Energy Cess etc.

Commission's Analysis

5.23 The Commission has outlined Clause 17.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020, for the approval of landed cost of primary fuel as reproduced below,

"17.11 The landed cost of fuel for the month shall include price of fuel corresponding to the grade and quality of fuel inclusive of royalty, taxes and duties as applicable, transportation cost by rail / road or any other means, and, for the purpose of computation of energy charge, and in case

of coal/lignite shall be arrived at after considering normative transit and handling losses as percentage of the quantity of coal or lignite dispatched by the coal or lignite supply company during the month as given below:

Pithead generating stations: 0.2%

Non-pithead generating stations: 0.8%

Provided that in case of pit head stations if coal or lignite is procured from sources other than the pit head mines which is transported to the station through rail, transit loss of 0.8% shall be applicable:

Provided further that in case of imported coal, the transit and handling losses shall be 0.2%.”

- 5.24 The Petitioner in the Petition, has provided month wise fuel procurement and rate of primary fuel procured, duly certified by the auditor vide ‘Annexure No. 6’ to the Petition. Further, the Commission, in its Order dated December 26, 2019 directed the Petitioner to bring to the notice of the Commission any change in fuel mix, which leads to price variation on quarterly basis and to submit a consolidated report during the next Petition filed by the Petitioner. In compliance to the above, the Petitioner has submitted the quarterly report before the Commission.
- 5.25 The Petitioner has submitted that it acquired its primary fuel *i.e.*, Coal from the CIL e-auctions and Shakti Scheme. The Coal prices and GCV of coal provided in the e-auctions and SHAKTI scheme are as per the CIL Notification. Thus, the Petitioner has no control over the coal offered in the e-auction and SHAKTI Scheme. Furthermore, the Petitioner has submitted that the Rate of Coal offered in CCL e-auctions for power producers has been continuously increasing since the last 2 years. Further, the e-auctions are conducted sporadically leading the IPL to depend on other sources of coal to ensure a reliable and consistent supply for smooth functioning of the power plant.
- 5.26 Considering, the Petitioner’s submission and after a due prudent check of the Auditor’s Certificate submitted vide ‘Annexure No. 6’ to the Petition, the Commission approves the landed cost of primary fuel as given in the table below.

TABLE 12: WEIGHTED AVERAGE LANDED PRICE OF COAL AS APPROVED BY THE COMMISSION (RS./ TON)

Particulars	MYT Order	Petition	Approved
Price of Coal	2,726.77	2,834.25	2,834.25
Price of Coal Reject	1,498.75	1,390.20	1,390.20
Rate of Primary Fuel before Transit loss	1,928.56	2,060.84	2,060.84
Transit Loss	0.80%	0.80%	0.80%
Landed Price of Primary Fuel	1,944.11	2,077.46	2,077.46

Calorific value and Landed price of Secondary Fuel

Petitioner's Submission

5.27 The Petitioner had submitted the landed price of secondary fuel as Rs. 91,857.08/kL, based on the secondary fuel consumed in the financial year, duly certified by the auditor vide 'Annexure No. 7' to the Petition. The Petitioner had considered the calorific value as 10,000 kCal/L as approved in the MYT Order dated November 11, 2023.

Commission's Analysis

5.28 On scrutinizing & analyzing the data, material and documents on record and upon a prudent check, the Commission approves the weighted average landed price of secondary fuel as shown below.

TABLE 13: CALORIFIC VALUE & LANDED PRICE OF SECONDARY FUEL AS APPROVED BY THE COMMISSION

Particulars	Units	MYT Order	Petition	Approved
Calorific Value of Secondary Fuel	kCal/L	10,000.00	10,000.00	10,000.00
Landed Price of Secondary Fuel	Rs./kL	80,471.31	91,857.08	91,857.08

Energy Charge Rate (ECR)

Petitioner's Submission

5.29 The Petitioner had submitted the Energy Charge Rate (ECR) as Rs. 2.72/kWh against the approved value of Rs. 2.69/kWh for FY 2021-22.

Commission's Analysis

5.30 As per JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 the energy (variable) charge shall cover primary fuel and secondary fuel costs and limestone consumption cost (where applicable), shall be payable by the beneficiary for the total energy scheduled to be supplied to such beneficiary during the calendar month on an ex-power plant basis, at the specified energy charge rate of the month (with fuel price adjustment and limestone adjustment).

5.31 Accordingly, the Commission computes the Energy Charge Rate (ECR) to be charged by the Petitioner as per the formula specified in JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020. The table below details the ECR and Fuel Cost for True-up for the financial year as submitted by the Petitioner and as approved by the Commission.

TABLE 14: ENERGY CHARGE RATE AND TOTAL ENERGY COST AS APPROVED BY THE COMMISSION

Particulars	UoM	MYT Order	Petition	Approved
Net Generation	MU	407.49	384.66	384.66
Auxiliary Consumption	%	10.50	11.76	10.50
Gross Station Heat Rate	kcal/kWh	2902.00	2,933.19	2,902.00
Specific Oil Consumption	ml/kWh	1.00	1.00	1.00
Calorific Value of Oil	kcal/mL	10.00	10.00	10.00
GCV of Primary Fuel	kCal/kg	2,505.04	2,632.23	2,632.23
GCV of Primary Fuel less Stacking Loss	kCal/kg	2,420.04	-	2,547.23
Landed Price of Primary Fuel	Rs./Ton	1,944.11	2,077.46	2,077.46
Landed Price of Secondary Fuel	Rs./kL	80,471.31	91,857.08	91,857.08
Energy Charge Rate (ECR)	Rs./kWh	2.69	2.72	2.74
Total Energy Cost	Rs. Cr.	109.44	104.58	105.32

Determination of Fixed Cost Additional Capitalization

Petitioner's Submission

5.32 The Petitioner had submitted that it has purchased various assets for Rs. 9.27 Cr. & sold assets of Rs. 5.35 Cr (majorly for Fly Ash Bricks) in the financial year which were necessary for efficient and successful operation of the generating station.

TABLE 15: ASSETS CAPITALIZED AND DECAPITALIZED AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	Capitalized	Decapitalized
Land – Freehold	0.10	-
Plant & Machinery	7.25	5.35
Building & Civil Works	1.90	-
Computer	0.02	-
Total	9.27	5.35

Commission's Analysis

5.33 While cross verifying the submission of the Petitioner with the Audited books of accounts, the Commission has observed that there had been an arithmetical discrepancy in the Audited Figures and the Petitioner's submission. For the purpose of truing up, the Commission has considered the Audited Figures for approval of additional capitalization and decapitalization prayed for by the

Petitioner.

- 5.34 The additional capitalization as approved by the Commission in the MYT Order, as submitted by the Petitioner and as approved by the Commission has been summarized in the table below.

TABLE 16: ADDITIONAL CAPITALIZATION AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	MYT Order	Petition	Approved
Capitalization	8.05	3.82	3.92

Depreciation

Petitioner's Submission

- 5.35 The Petitioner had submitted that depreciation had been calculated as per the depreciation rates provided in Appendix-I of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.
- 5.36 The Petitioner has calculated the depreciation taking into account the closing asset for FY 2020-21 and additional capitalization for FY 2021-22. The depreciation submitted by the Petitioner is given in the table below.

TABLE 17: DEPRECIATION AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	MYT Order	Petition
Depreciation	17.49	17.34

Commission's Analysis

- 5.37 The Commission has calculated the depreciation for Unit-I by considering the approved capital cost, capitalization and the depreciation rates as specified in Appendix-I of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020. The following table shows the depreciation approved by the Commission.

TABLE 18: DEPRECIATION AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	Capitalized	Decapitalized	Net Capitalization	Rate of Depreciation	Depreciation for the Year
Land – Freehold	0.10	-	0.10	-	-
Plant & Machinery	7.25	5.35	1.90	4.22%	0.08
Building & Civil Works	1.90	-	1.90	2.67%	0.05
Computer	0.02	-	0.02	15.00%	0.00
Total	9.27	5.35	3.92		0.13

Particulars	MYT Order	Petition	Approved
Cumulative Depreciation	-	17.21	17.21
Depreciation for the Year	-	0.13	0.13
Total Depreciation	17.49	17.34	17.34

Operation and Maintenance Expenses & Water Charges

Petitioner's Submission

5.38 The Petitioner has submitted that as per clauses 15.35, 15.41 and 15.42 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020, O&M expense would be applicable for generating companies and comprises of the following:

- a) Salaries, wages, pension contribution and other employee costs
- b) Administrative and General costs
- c) Repair and maintenance costs

5.39 The Petitioner has further claimed water charge as Rs. 1.48 Cr. based on actuals in line with Clause 15.46 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.

5.40 In view of the reasons stated above, the Petitioner has prayed to the Commission to allow the increase in the O&M expenses as shown below.

TABLE 19: O&M EXPENSES AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	MYT Order	Petition
O&M expenses	25.05	23.78
Water Charges	1.64	1.48
O&M Expenses including Water Charge	26.69	25.26

Commission's Analysis

5.41 The Commission has observed that the Petitioner had claimed the O&M Expenses on actual basis instead of normative basis as per JSERC (Terms & Condition of Determination of Tariff) Regulations 2020. Further, the Petitioner submitted that they claim the O&M cost in line with its audited accounts.

5.42 On Scrutinizing & analyzing the material, data, information on record the Commission has observed that the actual O&M expenditure is lower than the expenditure approved in the MYT Order dated November 16, 2023. Since O&M is a controllable factor, the Commission finds it appropriate to qualify for 'Gain & Loss sharing Framework', and orders for sharing of aggregate gains between the Licensee and the customers in the ratio of 50:50 respectively, as per Clause 6.15 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) 2020. Accordingly, the Commission approves operation and maintenance including (Gain)/Loss as shown below:

TABLE 20: O&M EXPENSES AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	MYT Order	Petition	Approved
O&M expenses	25.05	23.78	25.05
Sharing of (Gain)/Loss			(0.63)

Interest on Loan

Petitioner's Submission

5.43 The Petitioner, for computing interest on loan, has considered the actual loan portfolio and repayment equal to the actual repayment by the Petitioner for estimating the interest and financing charges on loan for the financial year. The Petitioner has submitted the Interest certificate issued by the Banks in support of interest rate and interest paid by the Petitioner in the financial year.

TABLE 21: INTEREST ON LOAN AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	MYT Order	Petition
Opening Debt Balance	129.52	89.70
Net Additions	5.64	2.67
Repayment	17.49	28.60
Closing Debt Balance	117.67	63.77
Average	123.59	76.73
Rate of Interest (%)	10.72%	8.93%
Interest on Loan	13.25	6.85

Commission's Analysis

- 5.44 The Commission has considered the opening balance of normative debt for FY 2021-22 as closing balance for FY 2020-21 as per the True-up Order dated May 22, 2023.
- 5.45 The Commission has observed that the Petitioner has considered the actual repayment against the norms which states that the repayment shall be equal to the depreciation allowed for that respective financial year. Accordingly, the Commission approves the repayment equal to the approved depreciation in accordance with clause 15.15 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 to arrive at the closing balance of normative debt component.
- 5.46 The Commission has computed the weighted average rate of interest based on the actual loan portfolio as submitted by the Petitioner. The Commission however, has considered the addition to loan based on a normative debt : equity ratio of 70 : 30 on the approved additional capitalization.
- 5.47 In accordance with the methodology stated above, the Commission has computed the interest on loan as shown in the table below.

TABLE 22: INTEREST ON LOAN AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	MYT Order	Petition	Approved
Opening Debt Balance	129.52	89.70	129.52
Net Additions	5.64	2.67	2.75
Repayment	17.49	28.60	17.34
Closing Debt Balance	117.67	63.77	114.92
Average	123.59	76.73	122.22
Rate of Interest (%)	10.72%	8.93%	8.86%
Interest on Loan	13.25	6.85	10.82

Interest on Working Capital

Petitioner's Submission

5.48 The Petitioner has claimed the Interest on Working Capital based on Regulation 15.23 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 and requested the Commission to approve the same for the financial year.

TABLE 23: INTEREST ON WORKING CAPITAL AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	MYT Order	Petition
Coal Cost for 50 Days	14.49	13.78
Cost of Secondary Fuel Oil for 2 Months	0.61	0.67
O&M Expenses for 1 month	2.22	2.10
Maintenance Spares (20% of O&M)	5.34	5.05
Receivables for 45 Days	23.22	21.47
Total Working Capital	45.88	43.07
Rate of Interest	10.50%	10.50%
Interest on Working Capital	4.82	4.52

Commission's Analysis

5.49 The Commission has observed that the Petitioner has received an amount of Rs. 7.62 Cr. as Delay Payment Surcharge from its Beneficiary based on the audited accounts. However, the Petitioner has not shown the same as additional revenue for the financial year. The Commission has considered the revenue received from Delay Payment Surcharge as per audited accounts and approves the expenses required to finance the same in calculating the Interest on Working Capital. The Commission has considered the rate for Delay Payment Surcharge as 1.25% per month in line with Clause 8.3.5 of the Principle PPA between Inland Power Limited & JSEB (now JBVNL), which is equivalent to 15.00% per annum for the calculation of corresponding working capital against the Delay Payment Surcharge for the Period of Delay. The Commission has considered interest on Working Capital as 10.50% as per the 1st proviso of Clause 15.26 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.

TABLE 24: INTEREST ON WORKING CAPITAL AS APPROVED BY THE COMMISSION
(RS. CR.)

Particulars	MYT Order	Petition	Approved
Coal Cost for 50 Days	14.49	13.78	14.71
Cost of Secondary Fuel Oil for 2 Months	0.61	0.67	0.70
O&M Expenses for 1 month	2.22	2.10	2.21
Maintenance Spares (20% of O&M)	5.34	5.05	5.01
Receivables for 45 Days	23.22	21.47	22.47
Total Working Capital	45.88	43.07	45.10
Rate of Interest	10.50%	10.50%	10.50%
Interest on Working Capital	4.82	4.52	4.74
Delayed Payment Surcharge	-	-	7.62
Working Capital for the Period of Delay (DPS/15%)	-	-	50.80
Interest on Working Capital for the Period of Delay	-	-	5.33
Total Interest on Working Capital	6.11	6.43	10.07

Return on Equity

Petitioner's Submission

5.50 The Petitioner has claimed the Return on Equity at 14.00% in accordance with the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 on opening equity base of Rs. 99.58 Cr. The Petitioner has claimed the income tax separately.

TABLE 25: RETURN ON EQUITY AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	MYT Order	Petition
Opening Equity	90.31	99.58
Addition during the Year	2.42	1.15
Closing Equity	92.73	100.73
Average Equity	91.52	100.15
Rate of ROE	15.00%	14.00%
Applicable MAT Rate	17.47%	-
Net Rate of ROE	18.18%	-
Return on Equity	16.63	14.02

Commission's Analysis

- 5.51 The Commission has observed that the closing equity base of Rs. 90.31 Cr. for FY 2020-21 as approved in its True-up Order dated May 22, 2023 is not matching with the opening base of FY 2021-22, as submitted by the Petitioner.
- 5.52 The Petitioner has submitted that they have considered the equity base of Rs. 99.58 Cr. and deducted the common cost of Unit-II of Rs. 2.32 Cr. as recognized by the Commission in its Order dated October 01, 2019.
- 5.53 The Commission has observed that the methodology adopted by the Petitioner is not in consonance to the Regulations. The adjustment of the common cost of Unit-II has already been carried out during True-up for FY 2016-17 and therefore it should not be repeated. The Commission has considered the opening equity for FY 2021-22 equal to closing equity approved by the



Commission for FY 2020-21.

- 5.54 In accordance with Clause 15.9 to Clause 15.10 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 read along with its amendment, the Commission has approved the rate of return on equity at 15.00% as shown below.

TABLE 26: RETURN ON EQUITY AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	MYT Order	Petition	Approved
Opening Equity	90.31	99.58	90.31
Addition during the Year	2.42	1.15	1.18
Closing Equity	92.73	100.73	91.49
Average Equity	91.52	100.15	90.90
Rate of ROE	15.00%	14.00%	15.00%
Applicable MAT Rate	17.47%	-	-
Net Rate of ROE	18.18%	-	-
Return on Equity	16.63	14.02	13.63

Income Tax and ARR Publication & Fee Expenses

Petitioner's Submission

- 5.55 The Petitioner has claimed the Income Tax as Rs. 6.43 Cr., and ARR Publication & Fee as Rs. 0.15 Cr. based on actuals and requested the Commission for approval.

Commission's Analysis

- 5.56 The Commission has scrutinized the ITR acknowledgement and the original receipt towards ARR Publication and Fee Expenses as submitted by the Petitioner vide 'Annexure No. 8' to its Petition and post prudent check approves the same as per the table below:

TABLE 27: INCOME TAX, ARR PUBLICATION & FEE EXPENSES AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	MYT Order	Petition	Approved
Income Tax	-	6.43	6.43
ARR Publication & Fee Expenses	-	0.15	0.15

Water Charge

Petitioner's Submission

- 5.57 The Petitioner has submitted the month wise water consumption and rate of water charge to derive the total water charge for the financial year. The Petitioner has further submitted the water bills to substantiate the water consumption and water drawl rate along with Auditor's certificate submitted vide 'Annexure No. 10' to the Petition.

Commission's Analysis

5.58 The Commission has referred to clause 15.46 of JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023 for approval of water charge as reproduced below:

“The Water Charges, Security Deposit, and Capital Spare for thermal generating stations shall be allowed separately after prudent check”.

5.59 On scrutinizing and analyzing the information and actual figure and material details submitted by the petitioner and on prudent check the Commission approves the water charge as Rs 1.48 Cr for FY 2021-22.

Total Fixed Charges

Petitioner's Submission

5.60 The summary of Fixed Charge including Income Tax, ARR Publication & Fee Expenses as submitted by the Petitioner for the financial year is shown below.

TABLE 28: TOTAL FIXED CHARGES AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	MYT Order	Petition
O&M Expenses	25.05	23.78
Depreciation	17.49	17.34
Interest on Loan	13.25	6.85
Return on Equity	16.63	14.02
Interest on Working Capital	6.11	6.43
Water Charges	1.64	1.48
Annual Fixed Charges	78.87	67.99
Annual Fixed Charges inc. PAF Adjustment	78.87	69.56
Income Tax	-	6.43
ARR Publication & Fee Expenses	-	0.15
Total Fixed Charges	78.87	76.14

Commission's Analysis

5.61 The summary of Fixed Charge including Income Tax, ARR Publication & Fee Expenses and water charges as approved by the Commission for the financial year is shown below.

TABLE 29: TOTAL FIXED CHARGES AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	MYT Order	Petition	Approved
O&M Expenses	25.05	23.78	25.05
Depreciation	17.49	17.34	17.34
Interest on Loan	13.25	6.85	10.82
Return on Equity	16.63	14.02	13.63
Interest on Working Capital	6.11	6.43	10.07
Water Charges	1.64	1.48	-
Annual Fixed Charges	78.87	67.99	76.92
Annual Fixed Charges inc. PAF Adjustment	78.87	69.56	76.92
Water Charges	-	-	1.48
Income Tax	-	6.43	6.43



Particulars	MYT Order	Petition	Approved
ARR Publication & Fee Expenses	-	0.15	0.15
Total Fixed Charges	78.87	76.14	84.98

Summary of ARR Components

Petitioner's Submission

5.62 The summary of ARR Components as submitted by the Petitioner for the financial year is shown below

TABLE 30: SUMMARY OF ARR COMPONENTS AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	MYT Order	Petition
Total Fixed Charges	78.87	76.14
Energy Charge Rate (ECR)	2.69	2.72
Total Energy Cost	109.44	104.58
Annual Revenue Requirement	188.32	180.72

Commission's Analysis

5.63 The summary of ARR Components as approved by the Commission for the financial year is shown below

TABLE 31: SUMMARY OF ARR COMPONENTS AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	MYT Order	Petition	Approved
Total Fixed Charges	78.87	76.14	84.98
Energy Charge Rate (ECR)	2.69	2.72	2.74
Total Energy Cost	109.44	104.58	105.32
Annual Revenue Requirement	188.32	180.72	190.30

Revenue & Gap/(Surplus) for the Year

Petitioner's Submission

5.64 The Petitioner has submitted that it has earned Rs. 182.71 Cr. as revenue from sale of power to its beneficiary JBVNL and has incurred a net loss of Rs. 2.12 Cr. from the sale of Fly Ash Bricks.

TABLE 32: REVENUE & (SURPLUS)/GAP AS SUBMITTED BY THE PETITIONER (RS. CR.)

Particulars	Petition
Annual Revenue Requirement	180.72
Revenue from sales	182.71
Revenue from sale of Fly ash brick	(2.12)
Gap/(Surplus)	0.13

Commission's Analysis

5.65 The Commission has observed that the Petitioner had not computed the income generated from Delay Payment Surcharge. The Commission has considered the income of Rs. 7.62 Cr. from Delay Payment Surcharge as per

'Note 19' of the Audited Accounts while calculating the net revenue as the same has already been considered while calculating its impact on the working capital. Additionally, the Commission has also considered other Non-Tariff Income as per 'Note 19' of the Audited Accounts.

- 5.66 The Commission has observed that 'Note 18. Revenue from Operations' of the Audited accounts shows Revenue from Sale of Energy as Rs. 183.24 Cr., however the Petitioner has claimed Rs. 182.71 Cr. for the same. The Petitioner was directed to justify the deviation. In response, the Petitioner submitted that the revenue from sale of energy shown in P&L is gross amount including the imported power and the amount claimed in petition is billed amount to JUVNL. The Petitioner has submitted the breakup of sales figure as shown below:

"Net Sales: Rs 1,827,066,625.00

Add: Import Power: Rs 5,348,300.00

Total sales as per Books: Rs 1,832,414,925.00"

It appears that no documentary evidence to support the same has been produced before the Commission. In the absence of the requisite documentary evidence, the Commission has computed the Revenue from Sale of Energy as Rs. 183.24 Cr. as per the audited accounts.

- 5.67 Additionally, it had been observed that the Petitioner, while computing the 'Net Revenue from Sale of Fly ash bricks' had deducted an amount of Rs. 4.31 Cr. under the head on 'O&M expenses', but the same amount is claimed as 'Other expenses' in the Cost Sheet of the Tariff Formats. It is observed that in previous Petitions, 'Ash handling expenses' were claimed as 'O&M expenses of the Fly ash brick plant', however in the instant petition, both 'Ash handling expenses' and 'O&M expenses of the Fly ash brick plant' have been claimed separately. The Petitioner was directed to provide justification for deviating from the precedence. The Petitioner was directed to justify why such O&M expenses had not been claimed in Table 7 of the Petition.
- 5.68 Further, the Petitioner was directed to show detailed computation of the claim made in the instant petition with reconciliation of the heads of expenses of the audited accounts. The Petitioner was also directed to keep consistency in the nomenclature of the heads of claimed expenses, as per the audited accounts, both in this and in future petitions.

- 5.69 In response, the Petitioner has submitted that previously the expenses for the Fly Ash bricks were not bifurcated for the Power plant & Fly Ash division, now they have separated and submitted the auditor's certificate for unit wise expenses.
- 5.70 The Commission is of the view that the O&M is a controllable factor, the Commission has appropriately allowed 'Incentive and Penalty Framework' of the same in this Order. In view of the above, the Commission has disallowed the 'O&M expenses of the Fly ash brick plant' as claimed separately by the petitioner, as allowance of the same would result in double accounting of the same costs.
- 5.71 The Commission, on prudence check, approves the revenue for the financial year including Delay Payment Surcharge as given in the table below:

TABLE 33: REVENUE & (SURPLUS)/GAP AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	Annotation	Petition	Approved	Source
Annual Revenue Requirement	A	180.72	190.30	-
Revenue from Sale of Fly Ash Bricks	B	-	(5.38)	'Note 18. Revenue from Operations'
Components for Fly Ash Bricks	C	-	1.90	'Note 20. Cost of Materials Consumed'
Ash Handling Expenses	D	-	1.30	'Note 24. Other Expenses'
Net Revenue from Sale of Fly ash brick	E=B+C+D	(2.12)	(2.19)	-
Sharing of Gains (O&M Expenses)	F	-	(0.63)	-
Revenue from Delay Payment Surcharge	G	-	(7.62)	'Note 19. Other Income'
Other Non-tariff Income*	H	-	(1.32)	'Note 19. Other Income'
Net ARR	I=A+E+F+G+H		178.54	
Revenue from Sale of Power	J	(182.71)	(183.24)	'Note 18. Revenue from Operations'
Gap/(Surplus)	K=J+I	0.13	(4.70)	-

* Other Non-Tariff Income includes 'Interest on Fixed Deposit', 'Sale of Scrap' and Miscellaneous Income' as per 'Note 19' of the Audited Accounts

Gap/(Surplus) including Carrying Cost

Commission's Analysis

- 5.72 The Commission has approved the Gap/ (Surplus) based on the ARR and Revenue for the Petitioner as approved earlier in this Order. The Gap/ (Surplus) for the financial year including carrying cost is mentioned below.

TABLE 34: CARRYING COST AS APPROVED BY THE COMMISSION (RS. CR.)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24
Opening Gap/(Surplus)	-	(4.95)	(5.47)
Addition during the Year	(4.70)	-	-
Closing Gap/(Surplus)	(4.70)	(4.95)	(5.47)
Average Gap/(Surplus)	(2.35)	(4.95)	(5.47)
Interest Rate	10.50%	10.50%	12.00%
Carrying Cost for the Year	(0.25)	(0.52)	(0.66)
Closing Gap/(Surplus) with Carrying Cost	(4.95)	(5.47)	(6.13)

- 5.73 The Commission has carried out the True-up for FY 2021-22 and directs the Petitioner to refund the above surplus to its Beneficiary as per Clause 7.4 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.
- 5.74 The above Gap/(Surplus) is computed based on the information submitted before the Commission. In case of any other adjustment between Petitioner and the Beneficiaries, the same needs to be taken into account while making final adjustment which shall be carried out mutually.



Chapter 6: Directives

Ratio of Fuel Mix

6.1 The Commission directs the Petitioner to keep consistency in its ratio of fuel mix, as its inconsistency creates variation in GCV and the Quantity of Primary Fuel procured, which in-turn causes variation in the ECR of the plant.

Enhancement of Associated Transmission System

6.2 The Commission directs the Petitioner to develop a plan for enhancement of the associated Transmission System with the transmission licensee, in order to reduce the tripping of the power plant, which in-turn will help in reducing SFC and increasing availability of the plant.

Timeliness and Data Adequacy in the Next Tariff Petition

6.3 The Commission directs the Petitioner to file the next tariff Petition, after removing deficiencies highlighted in this Tariff Order. The Petitioner should ensure that the data submitted to the Commission is accurate and justified with adequate certification. The Commission also directs the licensee to ensure submission of the next tariff petition within the time frame as stipulated in the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020, read with its amendments thereof.

Timeliness in submission of replies to Letters issued by the Commission

6.4 It would be evident that after several letters, the Petitioner filed the replies but beyond the stipulated timeframe. The lackadaisical conduct of the petitioner has been taken note of seriously by the Commission. It is directed that if the replies to the letters are not received within the time fixed by the Commission then penalty may be imposed to the extent of deduction of 2-5% of the amount from the ARR in future tariff petitions.

This order is signed and issued by the Jharkhand State Electricity Regulatory Commission on **February 26, 2024**.

Date: 26.02.2024

Place: Ranchi

Sd/-	Sd/-	Sd/-
(Atul Kumar)	(Mahendra Prasad)	(Justice Amitav Kumar Gupta)
Member (Technical)	Member (Legal)	Chairperson



ANNEXURE - I

List of participating members in the Public Hearing

Sl. No	Name	Address/Organization
1.	Mr. Ujjwala K. Gunia	Jharkhand Bijli Vitran Nigam Ltd.
2.	Mr. Dhiresk Kumar	Jhumri Telaiya
3.	Mr. Gaurav	Doranda
4.	Mr. Sujoy Kumar Das	Inland Power Ltd. (Consultant, Deloitte)
5.	Mr. Anindya Sengupta	Inland Power Ltd.
6.	Mr. Rajesh	Ranchi
7.	Mrs. Anita Prasad	Jharkhand Bijli Vitran Nigam Ltd.
8.	Mr. R.K. Tripathy	JBVNL (Consultant, PwC)
9.	Mr. Sanjay Kr. Singh	Inland Power Ltd.
10.	Mr. Amit Kr. Chaudhary	101 A, Ratnawali Appt, Lalpur, Ranchi
11.	Dr. Binnu Kumar	280, Magistrate Colony, Doranda, Ranchi
12.	Mr. Anand Bardia	Inland Power Ltd.
13.	Mr. Ortan Tirkey	A.G. Collony, Doranda, Ranchi
14.	Mr. Pawan Kr. Thakur	Chutia, Ranchi
15.	Mr. Vishal Singh	Piska Mor, Ranchi
16.	Mr. Birendra Kisku	Jharkhand Bijli Vitran Nigam Ltd.
17.	Ms. Shivani Kumari	Inland Power Ltd.
18.	Mr. Ravishankar Kumar	Jharkhand Bijli Vitran Nigam Ltd.
19.	Mr. Bijoy Kr. Ghosh	Jharkhand Bijli Vitran Nigam Ltd.